

**PX 82**

Message

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**From:** Patrick Griffin [REDACTED]@ripple.com]  
**Sent:** 11/29/2013 3:29:38 PM  
**To:** Phil Rapoport [Phil Rapoport <[REDACTED]@ripple.com>]  
**Subject:** Summary Slides for [REDACTED]  
**Attachments:** XRP Distribution Framework.pptx

Phil,

Before I send this to [REDACTED] let me know if anything is missing. She is working on an email for Chris and a broader distribution thesis and I want to recap our phone call. thx.

How was Thanksgiving in DC?

Patrick

## Distribution Discussion Themes

## Goal of Distribution

- Network Growth
- Raise funds for Ripple Labs operations

## Long Term Stages of Ripple

- Phase 1. Speculatively valuable
  - In this stage XRP is new and few adopters. XRP is valuable among speculators.
- Phase 2. Pseudo valuable
  - In this stage XRP has some value. There is a market for XRP. Value remains mostly speculative. Rapid release of XRP may stymie further adoption.
- Phase 3. Valuable
  - In this stage XRP has clear and likely gaining value. XRP is transacted to facilitate real commerce as an alternative to other solutions.

## Goal of XRP Allocations

- Biggest goal is existential
  - Anything we do should respond to this primary goal of the company
  - Concern about network fork
- Reason for doing anything is to grow the network
  - Distribution must grow the network
- Phase 1: striking partnership for inorganic growth
  - Distribution is for business development
- Any currency strategy should be geared to making phase 2, 3 more successful
  - Where phase 2, 3 is scale and organic growth

## Current Distributions

- There are ways to increase supply that create a bigger increase in demand
- T-Bill auctions are designed to finance debt
- There will always be an 'overhang' of supply
  - Founders and RL holdings

## Speculators

- Let's not be concerned about speculators, they are not enough for the market
- If you are holding xrp you should want RL to retain xrp for business development
  - Give ourselves 6 months
  - Speculators are speculating on Ripple Labs

## XRP Breakdown

- Founders - 20%
- Ripple Labs - 80%
- RL Equity - 25%
- Non-profit distribution - 55%
  - Wholesale (auctions, OTC)
  - Business development (positive interchange, leverage, etc.)
  - Charity (direct as xrp, indirect from wholesale)
  - Developers (direct as xrp, indirect from wholesale)
  - Retail giveaways (account creation)

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